



Department of Planning, Building and Code Enforcement  
801 North First Street, Room 400  
San José, California 95110-1795

Hearing Date/Agenda Number:  
P.C. November 29, 2004 Item: 6.b

File Number:  
GP03-07-09

Council District and SNI Area:  
District 7, Tully/Senter

Major Thoroughfares Map Number:  
84

Assessor's Parcel Number(s):  
477-20-133, 147, 148

Project Manager: David Tymn

## GENERAL PLAN REPORT

### 2004 Summer Hearing

#### PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram designation from Industrial Park with Mixed Industrial Overlay to High Density Residential (25-50 DU/AC)

**LOCATION:** The southeast corner of Senter Road and Needles Drive (1870 and 1888 Senter Road)

**ACREAGE:** 6.21

#### APPLICANT/OWNER:

DDD Partners, Owner/Henry Cord, Applicant

#### GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Industrial Park with Mixed Industrial Overlay

Proposed Designation: High Density Residential (25-50 DU/AC)

**EXISTING ZONING DISTRICT(S):** IP Industrial Park

#### SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Multi-Family Residential; High Density Residential (25-50 DU/AC)

South: Unoccupied single -family residence; High Density Residential (25-50 DU/AC)

East: Wool Creek Drive and Park Land; Public Park and Open Space

West: Industrial Park Offices; Heavy Industrial

#### ENVIRONMENTAL REVIEW STATUS:

Mitigated Negative Declaration to be adopted on November 29, 2004.

#### PLANNING STAFF RECOMMENDATION:

High Density Residential (25-50 DU/AC)

Approved by:

Date:

#### PLANNING COMMISSION RECOMMENDATION:

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**CITY COUNCIL ACTION:**

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**CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:**

- Department of Transportation (DOT) – The proposed General Plan amendment is exempt from a computer model (TRANPLAN) traffic analysis. See attached memo.
- Department of Public Works – Comments regarding Reassessment District Bonds for this area. See attached memo.
- Pacific Gas and Electric – Indicated that they have no comment. See attached memo.
- Santa Clara Valley Transportation Authority (VTA) – VTA maintains a bus stop on northbound Senter Road adjacent to the project site. The bus stop is served by Line 73. When development occurs, VTA recommends retention and improvement of the bus stop. See attached memo.

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**GENERAL CORRESPONDENCE:**

Tully/Senter Strong Neighborhood Coalition meeting (SNC) (the SNI NAC) – At the November 4, 2004 community meeting, Planning staff received verbal comments from Erollyn Blank asking why the City is continuing to convert industrial land. She mentioned that there is a high vacancy rate for the density of housing proposed and that there is already a great amount of high density housing in this area. She noted that there was inadequate capacity in the neighborhood-serving public school to accommodate the anticipated student enrollment. She also noted that this type of housing is approved by the City without consideration of the lack of pedestrian access to neighborhood-serving commercial — particularly supermarkets. She also wanted to know what the City intends to do about the existing single-family house on the Carroll property.

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**ANALYSIS AND RECOMMENDATIONS:****RECOMMENDATION**

High Density Residential (25-50 DU/AC) on 6.21 acres.

**PROJECT DESCRIPTION**

This is a privately initiated request to change the *San Jose 2020 General Plan* Land Use/Transportation Diagram designation from Industrial Park with Mixed Industrial Overlay to High Density Residential (25-50 DU/AC) for property located on the southeast corner of Senter Road and Needles Drive (1870 and 1888 Senter Road) on a 6.21-acre site. This amendment would potentially allow the development of up to 310 multi-family dwelling units.

**BACKGROUND**

The subject site is located between two sites that are designated High Density Residential (25-50 DU/AC). The site is also located immediately north of a relatively small area of isolated industrial park uses on the northeasterly side of Senter Road. Various industrial uses are located westerly of the site, across Senter Road. Approximately five acres of the site are developed with

two, one-story industrial/office buildings used as offices for the Santa Clara County Department of Social Services. The remaining 1.2 acres of the eastern portion of the site are vacant.

### Existing and Surrounding Land Uses

The site is adjacent to existing multi-family residential to the north and planned multi-family attached residential development to the south. Coyote Creek and Coyote Creek Park are adjacent to the site across Wool Creek Drive to the east. There are existing research and development and various other industrial uses across Senter Road to the west.



### ANALYSIS

Introducing High Density Residential (25-50 DU/AC) housing on property currently designated for industrial park uses raises many issues including land use compatibility, loss of industrially designated land, environmental impacts and General Plan consistency. Among the key issues for staff's review of the proposed change to the General Plan Land Use/Transportation Diagram are:

1. Whether the proposed High Density Residential (25-50 DU/AC) designation is compatible with the existing and planned high density residential and existing industrial uses in the immediate area.

2. Whether the land use change to facilitate a high-density residential development within a mixed residential and industrial area is consistent with the Major Strategies, Goals and Policies of the *San Jose 2020 General Plan* that encourage housing but also encourage preserving established industrial lands.
3. Whether the proposed land use designation of High Density Residential (25-50 DU/AC) for the subject site is compatible with other residential uses in the area.

## **Land Use Compatibility**

### Surrounding Uses

The proposed High Density Residential (25-50 DU/AC) designation is compatible with the existing multi-family residential neighborhood and the planned residential development in the surrounding area. It is, however, somewhat incompatible with the existing industrial land uses in the adjacent industrial area to the west. By itself, the subject site would be difficult to develop in conformance with General Plan policies and the Residential Design Guidelines, due to its proximity to industrially designated lands and uses to the west. Introducing residential development next to industrial uses could typically result in complaints from new residents about noise, odors, industrial traffic, use of hazardous materials, and other potential impacts of industrial operations. However in this case the existing industrial park uses are across and separated by Senter Road to the west. The proposed residential conversion is bordered by existing and planned multi-family residential, Coyote Creek and Coyote Creek Park and Senter Road.

### Previously approved General Plan Amendment

A General Plan amendment GP02-07-05 was approved in 2002 to change the Land Use/Transportation Diagram designation from Medium High Density Residential (12-25 DU/AC) on 8.6 acres and Public Park/Open Space on 13.1 acres to High Density Residential (25-50 DU/AC) on 5.0 acres and Public Park/Open Space on 16.7 acres. The property, known as the Carroll property, is directly to the south of the subject site on Senter Road. A subsequent Planned Development rezoning PDC03-057 was approved, rezoning the site from A Agriculture and LI Light Industrial Zoning Districts to A(PD) Planned Development Zoning District to allow up to 218 affordable multi-family attached housing units and associated improvements on a 7.2-gross acre site.

## **Consistency with the *San Jose 2020 General Plan* Major Strategies, Goals, and Policies**

The proposed amendment supports a number of General Plan Major Strategies, goals and policies, but is also in conflict with others. Of particular importance are the Major Strategies, Goals and Policies related to the appropriate placement of residential uses to provide a high quality living environment, and the Major Strategies, Goals and Policies related to preservation of industrial land for economic development. The proposed amendment would result in a loss of 6.21 acres of industrially designated land. The proposed conversion of the site to High Density Residential (25-50 DU/AC), and its consistency with the General Plan is discussed below.

## Major Strategies

The Major Strategies and Goals and Policies of the *San Jose 2020 General Plan* support infill residential development in appropriate areas of the City and encourage sustainable practices, such as orienting residential development near transit facilities and existing commercial uses. This approach helps to increase the availability of transit and the implementation of bicycle and pedestrian connections.

The San Jose 2020 General Plan has seven Major Strategies that identify the principal objectives of the Plan. Of those seven, this amendment directly relates to four Major Strategies: **(1) Growth Management**; **(2) Housing**; **(3) Sustainable City**; and **(4) Economic Development**.

The proposed amendment is supportive of the Growth Management Major Strategy that seeks to find the balance between the need to house new population and the need to balance the City's budget, while providing acceptable levels of service. The amendment site is located within an area where urban facilities and services are already available; infill development on this site supports the intent of the Growth Management Major Strategy.

The proposed amendment is also supportive of the Housing Major Strategy that seeks to maximize the housing opportunities on infill parcels already served by municipal services. A change in the land use designation to High Density Residential (25-50 DU/AC) would provide the opportunity for a variety of housing types. Although this designation is typified by three- to four-story apartments or condominiums over parking, a mix of different housing product types is possible, yielding a range of approximately 160 to 300 dwelling units.

The Sustainable City Major Strategy seeks to reduce traffic congestion, pollution, wastefulness, and environmental degradation of our living environment. The amendment site is located within close proximity to existing bus and light rail transit. Locating development in already urbanized areas and around transit contributes to sustainability by shortening trip lengths and providing for the availability of different modes of transportation such as public transit, biking, and walking. This in turn helps to conserve energy and improve air quality.

The proposed amendment is not consistent with the General Plan's Economic Development Major Strategy. An important component of the Economic Development Major Strategy is the preservation of the City's industrial areas that are critical to the City's economic viability. Industrial areas provide viable locations for business support uses. These firms help the San Jose economy because they provide needed services and materials to other businesses, including driving industries. The proposed amendment would further reduce the limited amount of land available for these uses, as well as reduce the viability of the remaining portion of industrially designated land for existing and future industrial uses.

## Economic Development Policies

The subject amendment request is also inconsistent with the General Plan Economic Development Policies. These policies include the following:

***Economic Development Policy #2*** states that in order to enhance the City's economic development goals and increase employment opportunities for San Jose citizens, the City should:

- Seek to attract businesses and industries, which are particularly suited to the area.
- Protect the industrial lands designated exclusively for industrial uses.
- Attract a diverse mixture of businesses and industries that can provide jobs suitable for the City's unemployed and under-employed labor force.

***Economic Development Policy #7*** encourages a mix of land uses in appropriate locations that contribute to a balanced economic base, including industrial suppliers and services, commercial support services, and “green industries” (industries related to recycling or environmental preservation) as well as high technology manufacturers and other related industries.

#### Industrial Land Use Goals and Policies

The intent of the General Plan Industrial Land Use Goals and Policies is to encourage the development of industrial land to provide sufficient opportunities for job growth for the City's residents and for expansion of the City's tax base. According to the General Plan, because some of the industrial land use designations allow for development of non-industrial uses, it is critical that the Land Use/Transportation Diagram designates certain areas exclusively for industrial uses. These areas include North San Jose, Edenvale, and along the Monterey Corridor. Reserving some areas exclusively for industrial uses maintains the desirability of those locations in San Jose for potential future industrial users.

The project site is located on the east side of Senter Road. The west side of Senter Road is an area identified as the Monterey Corridor 2 Employment Subarea. The subject site and adjacent industrial properties have, in the past, served as an extension of the Monterey Corridor 2 Subarea with a mix of industrial uses on Senter Road. Senter Road in the area of the amendment site has, over time, evolved into a mix of residential and industrial uses, with the amendment site and adjacent multi-family attached residential uses on the easterly side of Senter Road and industrial uses on the westerly side. This area is in transition, and the subject site could be appropriately developed with infill housing, thereby eliminating the conflicting industrial-residential land use interfaces, while the City concentrates industrial land preservation efforts on the westerly side of Senter Road, which is within the boundary of the Monterey Corridor 2 Employment Subarea.

***Industrial Land Use Policy #3*** states that the City should monitor the absorption and availability of industrial land to ensure a balanced supply of available land for all sectors. The proposed change to High Density Residential (25-50 DU/AC) would decrease the amount of land designated for industrial uses by approximately 6.21 acres. However, as explained below, the proposed conversion is consistent with several General Plan Goals and Policies, and this site may be suitable for conversion to residential uses.

***Industrial Land Use Policy #9*** encourages industrial supplier/service business retention and expansion in appropriate areas of the City (e.g., Monterey Corridor). The proposed amendment would reduce the amount of land potentially available for such uses.

***Industrial Land Use Policy #11*** states that because of the importance in retaining viable industrial supplier/service lands and the inherent incompatibility between residential or non-industrial uses and industrial uses, new land uses that may restrict development of land reserved exclusively for industrial uses should not be allowed to locate adjacent to these areas of the City, and in particular, sensitive receptors should not be located near primary industrial areas. Based



on the mix of residential and industrial uses in the area, it is not considered a prime or exclusive industrial area.

***Industrial Land Use Policy #14*** states that non-industrial uses which would result in the imposition of additional operational, or mitigation requirements, or conditions on industrial users in neighboring exclusively industrial areas in order to achieve compatibility are discouraged. Such uses could increase the business risk for certain users currently allowed in this area, due to incompatible activities, particularly the use of hazardous materials in the manufacturing process. The proposed General Plan amendment would provide infill housing opportunities and eliminate the potential for incompatible interfaces between existing industrial and new residential development.

#### Residential Land Use Goal and Policies

The Residential Land Use Goal of the General Plan is to provide a high quality living environment in residential neighborhoods. Residential Land Use Policies emphasize the protection of existing residential neighborhoods from the encroachment of incompatible activities. Conversely, it is not appropriate to locate new residential uses in areas that could be adversely affected by existing industrial uses, such as the properties that are located in the vicinity of the subject site. The proposed residential use at this location is consistent with the City's goal that new residential developments should create a sense of neighborhood identity. High density residential uses on the subject site would facilitate infill housing development that would help complete residential conversion of this section of land along Senter Road.

***Residential Land Use Policy #2*** states that residential neighborhoods should be protected from the encroachment of incompatible activities or land uses that may have negative impacts on the residential living environment. Future development of this 6.21-acre site would help to connect existing and proposed high-density residential development that is within proximity of the site in order to solidify a residential neighborhood and reduce the potential of incompatible industrial uses.

***Residential Land Use Policy #24*** states that new residential development should create a pedestrian-friendly environment by connecting the features of the development with safe, convenient, accessible, and pleasant pedestrian facilities. Such connections should also be made between the new development, the adjoining neighborhood, and transit access points. Conversion of this industrial property to residential uses would provide an opportunity for new development to connect streets and sidewalks together with the adjacent existing and planned residential development.

#### **Evaluation of Industrial Land Conversions**

The "Framework, as a Guideline, for Evaluating Proposed Conversions of Employment Lands to Other Uses" divides the City's inventory of industrial areas into three categories: 1) those to promote or facilitate conversion, 2) those to consider conversion under certain circumstances, and 3) those to preserve for Driving and Business Support Industries. The Monterey Corridor 2 subarea, which borders the subject site, falls in the third category. In this category of the Framework, the City Council added that conversions may be considered if the proposal would accomplish any of the following:

- Complete a transition to existing neighborhoods within or adjacent to the subarea;
- Buffer and provide uniformity to existing neighborhoods within or adjacent to the subarea;
- Further the City's smart growth policies;
- Aid in revitalizing declining neighborhoods within or adjacent to the subarea.

Staff considers the subject site, just outside the Monterey Corridor 2 subarea, as a somewhat isolated "island" of industrially designated land that should be considered for conversion to residential to both complete a transition with existing and planned residential development. The proposed change to High Density Residential (25-50 DU/AC) is considered compatible with the adjacent residential uses and would help to complete a transition from industrial to housing on the edge of the Monterey Corridor 2 subarea.

The Framework identifies key criteria that need to be evaluated when considering conversion of employment lands to other uses. The following is an analysis of the proposed amendments based on the established criteria.

A. Economic contribution of the Subarea.

A background report for the City's fiscal impact study, "Towards the Future: Jobs, Land Use, and Fiscal Issues in San Jose's Key Employment Areas: 2000-2020" describes the Monterey Corridor 2 subarea as one of the five subareas in the Business Support Industries category. This property is just outside of that subarea, and it is not utilized to its full potential as land for industrial and business support uses. While there is the potential for intensified industrial use at this site in the future, this potential has already been somewhat compromised by the existing and recently approved residential development adjacent to the subject site on the site's northerly and southerly boundaries. Consequently, conversion of this land to High Density Residential (25-50 DU/AC) would not be considered a significant loss of prime industrial land. The industrial land on the west side of Senter Road within the vicinity of the project is, however, business support/incubator industrial development. If those properties were to be designated for residential development in the future, that change could be considered a loss of viable employment land.

B. Consistency with City Policies and Strategies.

As discussed previously in this staff report, the proposal is consistent with several of the General Plan Major Strategies, Goals, and Policies in that the amendment would facilitate infill residential development within the urbanized area where urban facilities and services are already available and provide new housing in close proximity to employment centers (e.g., Monterey Corridor and the Downtown). The conversion of this amendment site would also enhance the residential neighborhood character and area identification.

C. Proximity to existing neighborhoods and areas in transition.

The areas to north of the amendment site are fully developed with high density residential four-plexes and a high density residential Planned Development Zoning District is approved at a maximum of 48 DU/AC to the south. Staff considers this pocket of Industrial Park-designated land an underutilized industrial area that is transitioning away from active industrial use. Conversion of the remaining industrial land on this side of Senter Road to residential use would eliminate conflicting non-residential uses, thereby enhancing the neighborhood character of the area.



- D. Proximity to incompatible employment uses (e.g., manufacturing, recycling, etc.).  
This site is directly across the street from Heavy Industrial-designated land that does allow uses that are potentially incompatible with new residential uses. New residents might complain about noise, vibration, truck traffic, and other negative impacts of industrial activities. Therefore, the proximity of residential uses can erode the viability of industrial operations. Experience in other areas shows that even when industrial uses predate housing, residents often end up complaining about those uses. Redevelopment of the subject site in conformance with General Plan Policies and the Residential Design Guidelines would mitigate the impacts of the industrial to residential interface in this area of the easterly side of Senter Road.
- E. Potential inducement of additional conversions to residential use.  
The proposed change could induce future conversions of surrounding industrial properties. However, as previously discussed in this report, staff believes that this site is a logical choice for conversion given that it is isolated by residential and public park open space on three sides of the property. This industrial property is not considered prime employment land and that it is not essential that this property be preserved for industrial uses.
- F. Proximity to transit service.  
VTA maintains a bus stop on northbound Senter Road adjacent to the project site. The bus stop is served by Line 73. There is no passenger rail transit within proximity of the site. The site is within walking and bicycling distance of business support operations and industrial businesses on the west side of Senter Road.
- G. Proximity to compatible employment uses (e.g., office/ R&D).  
The majority of nearby employers within walking or biking distance are Business Support Industries providing industrial and commercial support services. There are also some Driving Industries, and Research and Development uses on the westerly side of Senter Road.
- H. Availability of neighborhood services, and residential and commercial mixed use drivers.  
There are a variety of existing nearby neighborhood-serving retail and service establishments and various retail commercial businesses on Senter Road at Tully and Umbarger Roads, as well as along Story Road and Keyes Street. The nearest location for larger-scale commercial establishments is located at Tully Road and McLaughlin Avenue, which is not within walking distance. The amendment site is near Yerba Buena High School, is adjacent to Coyote Creek Park, and is within walking distance of Kelly Park. The nearest library is the Biblioteca Latino-Americana Library at 921 South First Street.
- I. Public benefit.  
If approved, this amendment would provide additional housing units in the City of San Jose. No extraordinary public improvements or infrastructure are anticipated to be included in conjunction with future residential development of the site.
- J. Adequacy of Fire/Police service levels.  
The proposed General Plan amendment will not directly adversely affect the ability of the San Jose Police Department to provide service. At the time the specific design of a project is proposed, the Police Department would also review the residential project to see that it is designed appropriately to deter criminal activity and maximize resident safety. It is anticipated that there will be adequate fire service for the project. The proposed residential

project would be required to meet current codes, including features that would reduce potential fire hazards.

K. Utilization of bicycle and pedestrian facilities, and promote pedestrian access

The site is located along Senter Road, which has sidewalks for pedestrian use. Pedestrians can access nearby employment and commercial establishments.

L. Potential environmental impacts and mitigation measures

The proposed General Plan amendment was analyzed in an Initial Study that resulted in a Mitigated Negative Declaration that was circulated on November 10, and is scheduled to be adopted on November 29, 2004. The Initial Study determined that the change in land use would create less than significant impacts in the following environmental categories with the inclusion of General Plan policy mitigation:

- Land use
- Air quality
- Cumulative Impacts
- Biological Resources
- Cultural Resources
- Geology and Soils
- Hazardous Materials
- Hydrology and Water Quality
- Noise

10. Potential fiscal impact

For the reasons noted above, the conversion from Industrial Park to High Density Residential (25-50 DU/AC) on the subject infill site would not be expected to create a significant fiscal impact on City revenue and additional service costs.

## **PUBLIC OUTREACH**

The property owners and occupants within a 1,000-foot radius were sent a newsletter regarding the two community meetings that were held on October 6 and 7, 2004. The public also received a notice of the public hearings to be held on the subject amendment before the Planning Commission on November 29, 2004 and City Council on December 7, 2004. In addition, this item was presented to the Tully/Senter Strong Neighborhood Coalition meeting (the SNI NAC) on November 4, 2004. The Department web site contains information regarding the General Plan process, amendments, staff reports, and hearing schedules. This web site is available to any member of the public and contains the most current information regarding the status of the amendments.

## **Attachments**

GP03-07-09

